Claims 35-53 have been rejected under 35 USC 103(a) as allegedly being unpatentable over Baniel et al. Applicants respectfully traverse this rejection.

First, Applicants respectfully note that, although the Examiner has alleged that this rejection is **maintained** for reasons of record and has made the rejection final, this constitutes a new ground of rejection that cannot properly be made final. In this respect, Applicants note that, in the Official Action of 4 June 2004, the Examiner conceded that "the instant invention differs from Baniel et al in that the ratio between free lactic acid and lactate salt is mentioned; [and] **the basic extractant in step (a) is recycled from step (d)**. (emphasis added)" The Examiner now contends that the claimed invention differs from Baniel et al **only** "in that the ratio between free lactic acid and lactate salt is mentioned".

It is respectfully submitted that, in changing the rationale for the rejection and in revoking a concession that he had previously made, the Examiner has introduced a new ground of rejection. Applicants did not previously have notice of this new ground for rejection (and in fact were led away therefrom), and did not have an opportunity to argue against it. Where, as here, the examiner introduces a new ground of rejection that is neither necessitated by an applicant's amendment of the claims nor based on information submitted in an information disclosure statement filed during the period set forth in 37 CFR 1.97(c) with the fee set forth in 37 CFR 1.17(p), the rejection cannot properly be made final (see MPEP Section 706.07(a)). Accordingly, the finality of the action is premature and, if the present submission does not result in an allowance of the application, should be withdrawn.

In any event, the cited Baniel et al reference is incompetent to set forth even a *prima facie* case of obviousness for the invention as claimed. To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). "All words in a claim must be considered in judging the patentability of that claim against the prior art." *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970). In the Official Action, the Examiner respectfully does not focus on the claim limitations present in, for example, steps (d) and (e) of the sole independent claim. Rather, the Examiner focuses on the following points:

- the extraction solvent can be recycled; and
- the aqueous raffinate #26 of Baniel which can be recycled into fermentation #11, fermentation liquor #14, or conversion and extraction #16.

None of this addresses steps (d) and (e) of claim 35, which state:

> (d) extracting said aqueous raffinate solution separated in step (b) with said stripped extractant formed in step (c) to form a lactic acid-containing stripped extractant; and
>
> (e) using said lactic acid-containing stripped extractant formed in step (d) as said basic amine extractant in step (a).

The advantages of these steps are described in the present application at paragraph [0027].

There is no discussion in Baniel about contacting the raffinate stream with the stripped extractant. Rather, the raffinate stream (#20 or #26) does not contact the stripped extractant at all, whether the stream is recycled to the process or removed from the process. In addition, the

stripped extractant #24 is recycled directly back to the extraction unit (Baniel, col. 8, lines 56-65), and does not contact the raffinate stream at any point.

For at least these two reasons, the rejection should be withdrawn. The specific and express claim limitations that require, for example, that an aqueous raffinate solution separated in a specific step (b) be extracted with a stripped extractant formed in a specific step (c) are not met by general teachings that extractants or raffinates can be recycled.

In view of the above, it is respectfully submitted that the sole remaining rejection of record should be withdrawn and that the application is now in allowable form. An early notice of allowance is earnestly solicited and is believed to be fully warranted.

Respectfully submitted,

CLIFFORD J. MASS
LADAS & PARRY LLP
26 WEST 61ST STREET
NEW YORK, NEW YORK 10023
REG. NO.30,086(212)708-1890